

New Funding Advisory Group

Principles

1. **Availability of family care, including incentives and supports for families to provide care or pay for care:** Caregivers are the backbone of the long term care system in Washington, providing a substantial proportion of long term care support services. The State should continue to explore new ways to support caregivers (e.g., provide additional opportunities for respite) and develop mechanisms to determine whether these supports are adequate.
2. **Adequacy of personal savings and pensions:** Individuals with long term care services and support needs may have high out-of-pocket expenditures for long term care services and supports. The State should develop mechanisms to assist individuals to accumulate additional savings so that they are better able to pay for long term care services if they are needed.
3. **Long-term care insurance options, including incentives to purchase long-term care insurance through individual or group-based products:** Long term care insurance can provide coverage for appropriate services as a person's physical or cognitive support needs increase, if the policy is purchased prior to a decline in his or her functioning. The State should take steps to improve the availability, accessibility, and quality of long term care insurance policies.
4. **Social Insurance:** A high number of Washingtonians, with and without chronic diseases may need long term care services and supports, regardless of income. The State should pursue developing a social insurance model, which would provide a broad risk pool for individuals needing long term care services and provide support for those who qualify without a means test. The program could be funded by a payroll tax or other mechanisms.
5. **Reverse mortgage and other products that draw on home equity:** Many impaired older homeowners are unprepared for the financial challenges that can come with a chronic health or disabling condition. Reverse mortgages can allow homeowners to tap into home equity to assist with the cost of long term care and allow them to remain at home longer. The State should support reverse mortgage programs by creating incentives for seniors to enroll and/or by developing a state-run reverse mortgage program.
6. **Life insurance annuities and health savings accounts:** Individuals with long term care services and support needs may have high out-of-pocket expenditures for long term care services and supports. Life insurance annuities and health savings accounts are two vehicles to allow individuals to save for future health care costs and retirement. The State should offer incentives to individuals to join these programs and publicize their usage as a savings option.
7. **Enhanced health insurance options:** Many insurers provide additional benefits, such as chronic disease self-management programs, that can help enrollees become or remain relatively healthy, by offering structured avenues to engage individuals and increase compliance with recommended behaviors. The State should promote strategies to replicate programs with demonstrated beneficial outcomes and cost savings in a variety of geographic areas and with other target populations.
8. **Creative community-based strategies or partnerships for funding quality long-term care:** Meeting the needs of individuals requiring long term supports and services requires a cross cutting approach that considers paid and unpaid long term support services, acute medical care,

housing, transportation, and employment. In order to meet all of these needs, communities need to pursue creative strategies to leverage existing funding sources and other resources. The State should examine and bolster strategies that have shown favorable outcomes and reduce barriers to developing these partnerships.

Survey Results

Questions on Each Principle	Essential to success?		Confidence it can make a difference				
	Yes	No	Strongly Agree	Agree	Unsure	Disagree	Strongly Disagree
Availability of family care, including incentives and supports for families to provide care or pay for care	12		6	6			
Adequacy of personal savings and pensions	8	4	3	1	5	2	
Long-term care insurance options, including incentives to purchase long-term care insurance through individual or group-based products	10	2	1	8	2		1
Social insurance	11		6	5			
Reverse mortgage and other products that draw on home equity	9	3		8	1	1	1
Life insurance annuities and health savings accounts	6	6		2	4	3	1
Enhanced health insurance options	10	2	3	3	4	1	
Creative community-based strategies or partnerships for funding quality long-term care	11	1	4	7		1	

Ranking of Principles	Importance Ranking (least points=most important)
Availability of family care, including incentives and supports for families to provide care or pay for care	13
Social insurance	25
Creative community-based strategies or partnerships for funding quality long-term care	31
Enhanced health insurance options	35
Reverse mortgage and other products that draw on home equity	43
Long-term care insurance options, including incentives to purchase long-term care insurance through individual or group-based products	44
Adequacy of personal savings and pensions	52
Life insurance annuities and health savings accounts	60

Ranking of Principles	Feasibility Ranking (least points=most feasible)
Availability of family care, including incentives and supports for families to provide care or pay for care	14
Reverse mortgage and other products that draw on home equity	30
Creative community-based strategies or partnerships for funding quality long-term care	31
Social insurance	37
Life insurance annuities and health savings accounts	37
Enhanced health insurance options	39
Long-term care insurance options, including incentives to purchase long-term care insurance through individual or group-based products	39
Adequacy of personal savings and pensions	56